

Adding New Signatories to the Convention

Thirty-four countries have signed the Convention: all twenty-nine OECD members and five nonmembers (Argentina, Brazil, Bulgaria, Chile, and the Slovak Republic). Most of the signatories are major exporting countries. As of June 10, 1999, only fifteen of the thirty-four signatories had deposited instruments of ratification with the OECD. The focus of U.S. efforts to date has been to encourage the signatories that have not done so to enact necessary implementing legislation and to ratify the Convention as soon as possible. We expect most of the remaining signatories to take these steps and deposit their instruments of ratification with the OECD by the end of 1999.

Article 13.2 of the Convention provides that it shall be open to accession by nonsignatories that have become full participants in the OECD Working Group on Bribery or any successor to its functions. The OECD Commentaries on the Convention state that such full participation is encouraged. In order to participate in the Convention, governments must accept the 1997 OECD Revised Recommendation on Combating Bribery in International Business Transactions and the 1996 OECD Recommendation on the Tax Deductibility of Bribes to Foreign Public Officials (see Appendix B).

As more of the original signatories ratify and implement the Convention, and as we gain experi-

ence with it in operation through the monitoring process, we will be in a better position to determine which additional parties would make significant contributions to eliminating the bribery of foreign public officials in international business transactions. Thus, in considering candidates for accession, we will focus on countries (1) whose companies are meaningful competitors in international business and (2) which are capable of undertaking the obligations of the Convention and participating constructively in the OECD Working Group. On the latter point, we will give particular attention to whether a prospective party has or is actively contemplating the necessary legislation, effective enforcement measures and other anticorruption measures required to implement the Convention faithfully.